



STATE BOARD OF EQUALIZATION

July 9, 1953 X-----
X-----, California

Dear Mr. X-----

You inquire if your charges for a microfilming service are subject to the sales tax.

You will microfilm a customer's records for a price based on the volume of records to be reproduced. The finished product delivered to the customer is a roll or rolls of microfilm.

As indicated in Sales and Use Tax Ruling 24 (copy enclosed), sales tax applies to sales of photographs, whether or not produced to the special order of the customer. We can see no sound basis for distinguishing between microfilm and ordinary photographs. Accordingly, the sales tax applies to your entire charge for microfilming records.

You will therefore be required to hold a seller's permit (fee \$1.00), file sales and use tax returns and pay the applicable tax. You may apply for a seller's permit at our Pasadena office, III South Hudson Avenue, telephones Ryan 1-6675 and Sycamore 3-9104. A representative at that office will explain in more detail the records required to be kept and the procedure for filing returns.

As a retailer of film, you may purchase film stock ex tax for resale. You should furnish your supplier with a resale certificate in the form prescribed in Ruling 68 (copy enclosed). If you have purchased film stock tax paid, you will be entitled to a credit for "Tax-Paid Purchases Resold" as explained in Ruling 71 (copy enclosed).

Yours very truly,

Bill Holden
Junior Counsel

BH: ja
cc: Pasadena - Compliance